

DEPARTMENT OF HEALTH SERVICES

714/744 P Street
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(916) 657-2941



October 4, 1999

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Public Health Directors
All County Mental Health Directors

Letter No.: 99-47

MEDI-CAL ELIGIBILITY QUALITY CONTROL (MEQC) GEOGRAPHIC SAMPLING PILOT PROJECT

The purpose of this letter is to inform counties of a Health Care Financing Agency (HCFA) approved pilot project which authorizes the Department of Health Services (DHS) to conduct geographic sampling of Medi-Cal Assistance Only (MAO) cases. The pilot was implemented on July 1, 1999.

BACKGROUND

Prior to approval of the geographic sampling pilot project, MEQC reviewed a random sample of MAO cases from all 58 counties. The number of MEQC case reviews selected for each county was proportionate to its share of the statewide MAO beneficiary population. Because of this, small counties may have had only one or two cases reviewed annually. It was felt that this minimal number of case reviews in small counties did not accurately reflect the performance of these counties in determining Medi-Cal eligibility. This sampling strategy should minimize travel time and costs, increase MEQC efficiency, and enhance the accuracy and usefulness of county reports.

GEOGRAPHIC SAMPLING PILOT PROJECT

Under the pilot project, the MEQC random sample of 1,900 MAO cases per year will encompass the largest 23 counties, which comprise approximately 90 percent of the statewide Medi-Cal population. Implementation of the pilot allows the state to conduct Periodic Case Reviews (PCR) of the 35 smallest counties, which will provide more efficient and accurate case sample information. As a result, the number of MEQC reviews in the random sample for the largest 23 counties will increase by approximately 33 percent. This should ensure more accurate measurement of state and county performance in the MAO program.



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Enclosed for your information is a chart of California counties by MAO population size. The chart reflects the MAO population for April 1999 month of eligibility. The 35 smallest and 23 largest counties are identified as well as the MAO numbers for each county.

Initially, DHS will review ten randomly selected cases for each of the 35 smallest counties. This initial limited-scope PCR will be followed by more detailed and scientific sampling reviews. Subsequently, 10 to 50 cases will be reviewed, depending on population, historical error rate, and loss potential. MEQC staff anticipates that no home visits or third party verifications will be pursued during the initial PCR. However, MEQC staff will continue to run Income and Eligibility Verification System and Medi-Cal Eligibility Data System matches for the cases reviewed. These initial PCRs will provide for enhanced MEQC coverage of small county MAO eligibility efforts and will provide criteria for future PCR prioritizations.

The PCR findings will be reported to each county in a summary report. The findings are for the county's information and consideration. A copy of the draft report format is enclosed.

HCFA's approval of the pilot freezes the dollar error rate for the State of California at 0.6346 percent which is the computed error rate for the most recently completed period, fiscal year 1997. The terms of the pilot preclude MEQC fiscal repercussions or sanctions for the duration of the pilot. The results of the large and small county case reviews will be factored for federal reporting purposes to accurately reflect 100 percent of state MEQC results.

DHS will provide an annual report to HCFA on the findings of the MEQC pilot project. We anticipate that the pilot will be renewed annually and will continue for an indefinite period of time.

SUMMARY

Use of PCR for the 35 smallest counties, in addition to the MEQC sample of 1,900 cases per year for the 23 largest counties, will increase efficiency and use of MEQC staff time and enhance accuracy of reported findings. At the same time, staff will be able to review and report on the functionality of Interim Statewide Automation Welfare System and other automated systems from a MEQC standpoint. DHS is confident the pilot project will provide counties with more

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complete MEQC information and assist in our common quest for excellence in the Medi-Cal eligibility determination process.

If you have any questions, please contact Mr. John Lim of my staff at (415) 904-9700.

Sincerely,

ORIGINAL SIGNED BY

ANGELINE MRVA, Chief
Medi-Cal Eligibility Branch

Enclosures

**CALIFORNIA COUNTIES BY NUMBER OF
MEDI-CAL ASSISTANCE ONLY BENEFICIARIES
April 1999 Month of Eligibility**

In Caseload Size Order

**35 Counties with 10% of the
Statewide Medi-Cal Assistance Only Population**

85	Alpine	6964	Humboldt
111	Sierra	7695	San Luis Obispo
392	Mono	8783	Santa Cruz
702	Trinity	9096	Kings
833	Modoc	9408	Shasta
848	Mariposa	11135	Sonoma
886	Plumas	<u>11313</u>	<u>Madera</u>
1044	Inyo	136,471	Total Number
1117	Amador	(9.36%)	of Cases
1329	Lassen		
1649	Calaveras		
1757	Del Norte		
1856	Colusa		
1960	Glenn		
2214	Tuolumne		
2374	Siskiyou		
2624	San Benito		
2745	Nevada		
3225	Lake		
3994	Yuba		
4073	Tehama		
4124	Placer		
4519	El Dorado		
4896	Napa		
5075	Marin		
5359	Sutter		
5957	Mendocino		
6329	Yolo		

**23 Counties with 90% of
the Statewide Medi-Cal
Assistance Only Population**

11434	Solano
13068	Imperial
15627	Santa Barbara
16276	Merced
19569	Contra Costa
21631	San Mateo
23392	Monterey
26844	San Francisco
27459	Stanislaus
29576	Tulare
30741	Ventura
31897	San Joaquin
35961	Butte
39353	Alameda
42663	Sacramento
47092	Kern
48738	Fresno
50750	Santa Clara
53295	Riverside
69325	San Diego
69670	San Bernardino
92272	Orange
<u>506071</u>	<u>Los Angeles</u>
1,322,704	Total Number
(90.64%)	of Cases

Total Number of Statewide Medi-Cal Assistance Only is 1,459,175

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(916) 657-0717



DATE

DRAFT

Director
County
Address

Dear

Recently, the State Department of Health Services, Medi-Cal Eligibility Quality Control (MEQC), Program Review Section, conducted a Periodic Case Review (PCR) in your county. The desk reviews consisted of a limited number of Medi-Cal Assistance Only cases. MEQC staff evaluated the accuracy of the county's actions in each case chosen for review. The PCR review of ten randomly selected cases is consistent with our federal Health Care Financing Administration approved pilot project.

There are no fiscal sanctions or penalty implications associated with the PCR. The results of the PCR will be used as part of the evaluation of the Medi-Cal program in the State of California and will be weighed and factored into the statewide MEQC error rate. The limited purpose of this letter is to document our findings and comments.

FINDINGS:

List findings.

- > Procedural Errors:
- > Pertinent Information:

Additional findings.

COMMENTS:

General Comments.

Please see the attached table that documents our PCR findings.

Should you have any questions regarding this review, please contact (Name of Lead Analyst and phone number).

Sincerely,

Name, Title
Program Review Unit

Enclosure

cc: County Eligibility and Program Manager

XXXXXX COUNTY PERIODIC CASE REVIEW

DATE _____

[illegible]

DRAFT